

Defined Contribution Risk Adjuster Board Minutes

State Office Building Room 3112

Approved

May 24, 2011

Attendees: Dave Jackson, *First West Benefit Solutions*; John Borer, *PEHP*; Tanji Northrop, *UID*; Perri Babalis, *Utah Attorney General*; Sue Watson, *OCHS*; Patty Connor, *OCHS Director*; Jill Goodmansen, *OCHS*; Jim Pinkerton, *Regence*; Shawn Montmeny, *First West Benefit Solutions*; Gabriella Benitez, *GBS Benefits*; Norman Thurston, *State*; Tomasz Serbinowski, *UID*; Brian Allen, *CHA for AHIP*; Lorraine Mayne, *Milliman*, Lincoln Nehring, *Voices for Utah Children*, Shelly Braun, *UHP*; Mark Brown *SelectHealth*; Mark Andrews, *OLRGC*

Lucy Feldkircher, *Health Equity* (via telephone); Laura Picciuca, *bSwift* (via telephone); George Howell, *United Health Care* (via telephone); Kim Miller, *United Health Care* (via telephone); Curt, *Humana* (via telephone) Barb Grishaber, *Humana* (via telephone), Neil Luitjens, *Humana* (via telephone)

- I. Meeting called to order at 1:04 p.m.
- II. Change in meeting minutes from 4/26/2011. Section 3, g, ii – Update wording to reflect no decision was made, this issue was just discussion with the board.
- III. Patty Conner from OCHS gave an update regarding the OCHS Exchange
 - a. Exchange Counts – 114 Employer groups on the Exchange for June 1 effective date. 2985 covered lives.
 - b. July 1 effective date groups – 46 groups submitted their employer application for a July 1 benefit effective date. 41 of the 46 groups made it to the underwriting process. Out of the 41, 19 groups were in the enrollment phase when open enrollment started. The remaining 22 groups were in the defined contribution phase.
 - c. August 1 effective date groups – 43 groups have submitted their employer applications so far. Ten of those groups have been sent to underwriting.
 - d. Average defined contribution amounts by tier
 - i. Employee Only = \$232
 - ii. Employee + Child = \$333
 - iii. Employee + Spouse = \$438
 - iv. Employee + Family = \$573
 - v. Overall average is about \$400
 - e. Average number of uninsured joining the Exchange = 25%
 - f. Number of employees covered before joining the Exchange (does not include eHealthApp groups) = 741 covered employees
 - i. 505 of those had coverage, 2 under HIP plan, 50 had individual, 1 Medicaid, and 183 had no health coverage prior to the Exchange.

- g. High Deductible Plans = 36% of groups enrolling on the Exchange have chosen a high deductible plan. Of those 172 employees have HSA account.
- h. Plan Enrollment = Employees have enrolled in 92 of the plans on the Exchange. Default plans not necessarily based on deductible. 33% of enrollees are selecting the default plan. Jim Pinkerton would be interested to know if the employer is selecting the default plan during year 1 and 2.
- i. Application technology solution – The RFP process is complete, but OCHS is still negotiating the contract so they are unable to tell who the final vendor will be.
- j. Call Center – Still on track to change the call center from HealthEquity. OCHS will be transferring the same phone number as they have today and will use telephony backbone with the state. The Department of Insurance will take the overflow calls. OCHS is still working with them to get this complete. This solution is not scalable, therefore it is an interim solution. This is about 20% of the way complete.
- k. Renewal Process - Need to make sure technology can handle this as well as let the broker community know of the solution. OCHS wants solid plan by July 7th to be effective in the broker community. Wants decision by the end of June. (Dave) Challenge – need to understand what technology solutions need and RAB will decide how this will look like. Combine committees to decide on the process. Source of the data is the issue at the moment. Committee decided they can have the process high level in place before the training sessions start. Will get together to discuss more (joint meeting). (Patty) – 42 groups going through for January 1 and more every month. Show renewal rates 60 days in advance. Board committed to get both subcommittees together in June to complete this
- l. Broker Training update – Starting new broker training course for July and August with the Department of Workforce Services. 2 hours will be for the Exchange training and 1 hour will be for the public assistance training.

IV. There was a meeting last Friday (May 20th). Keely was not able to be there to share info on APD, but 3M was there as well as all carriers. Received overview of what is available. Will set up meeting soon to understand process. Pharmacy info there but not sure about mental health info. Mark is hopeful this could be the way to go. Issues still outstanding. (Dave) Carl Idleman with the Connecticut private Exchange would like to set up a meeting with the board on June 1 at 9:00 am. Tommy from HIP is coordinating this meeting.

V. Perri Babalis with the Utah Attorney General – No update.

VI. Jim Pinkerton with Regence

- a. Underwriting Subcommittee Report

- i. No formal meeting, just looked through the all payer database with Keely.

VII. Kim Miller with United Health Care

- a. Marketing Subcommittee Report

- i. No new updates. There is a meeting scheduled for June 3rd to go over the portal experience based on additional feedback provided by Patty Conner. Kim listed the members of the committee.
- VIII. Tanji Northrup from Utah Insurance Department (UID)
 - a. Risk Factor Verification document
 - i. Document to reiterate what is already in the process. Items underlined – Changes made based on comments. Not official document. Wants to make sure everyone is comfortable.
 - ii. Tanji will make the changes to this document and send out the final document to board.
 - b. Plan of operations problem – Workflow table. Tanji will work with Perry to get this document changed. Discussed individuals going to mediation.
- IX. Policy Analyst
 - a. Created document on reform activity and how they will impact all. Shared with 2 legislative committees. Went through the document with some of the major changes – page 2, 5, 6. Mark will send out an electronic copy of the document. Also posted on the website. (Norm) – Cost reduction will be the main focus on the next Task force meeting.
- X. Former SB294 – Modified bill – Passed out of committee. Will go to the next session as a priority bill. June 15th is one option but has not been scheduled yet. Kim Miller asked why they are moving forward with a 5 tier structure. Only single parents with 1 or more children would be advantaged here. UHC can not change their system from a 4 tier to a 5 tier. They only have a 4 tier and a 6 tier. May want to add to the task force meeting to talk about legislation updates.
- XI. RAB Officer Elections and committee appointments - . Elections in 2009 were in June and in 2010 were in May.
 - a. Kim okay with vice chair. Jim is open for both but not sure when his appointment is up. Some appointed 4 and 6 years. Dave is open for both and may take subcommittee.
 - b. Mark Moved to nominate Jim Pinkerton as Chair and Kim Miller as vice chair. Tomasz second and Curt second. All in favor for decision. Jim Pinkerton is chair going forward and Kim Miller is vice chair.
 - c. Subcommittees – All members decided to take assignments.
 - i. Kim Miller – Underwriting
 - ii. Dave Jackson – Marketing
 - iii. John Borer – Legal
 - iv. Mark Brown – Risk Adjustment & Premium Allocation
- XII. Next Meeting will be June 28, 2011 at 1:00 pm
- XIII. Meeting adjourned at 2:30 p.m.

